

STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Before the Commissioner of the Office of Financial and Insurance Regulation

In the matter of:

Zacoro Metals Corp.

Enforcement Case No. 08-5501

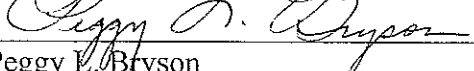
Respondent

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Issued and entered  
on August 8, 2008 2008  
by Peggy L. Bryson  
Acting Chief Deputy Commissioner

**FINAL ORDER**

1. On June 23, 2008, the Commissioner issued an Order to Cease and Desist, hereafter ("Order"), pursuant to Section 408 of the Michigan Uniform Securities Act, hereafter ("MUSA"), MCL 451.808. Said Order advised Respondent that they may contest the Order by requesting a hearing within 15 days after service of the Order.
2. On June 24, 2008, the Office of Financial and Insurance Regulation ("OFIR") mailed the Order to Respondent Zacoro Metals Corp. via certified mail (7008 0500 0001 6312 7152) to the address of: 130 Adelaide Street West Suite 2700, Toronto, Ontario, Canada M5H 3P5.
3. On July 17, 2008, Zacoro Metals Corp. issued a response to OFIR acknowledging receipt of the Order along with a check payable to the State of Michigan in the amount of US \$2,000 for payment of a civil fine.
4. A copy of the Order dated June 23, 2008, and this Final Order was served on the Administrator, specifically Commissioner Ken Ross. Service of the Order upon the Administrator is made pursuant to Section 414 of the MUSA, MCL 451.814
5. Respondent has not requested a hearing, as provided in Section 408 of the MUSA, MCL 451.808, therefore the Order is **FINAL**.

By:   
Peggy L. Bryson  
Acting Chief Deputy Commissioner  
Office of Financial and Insurance Regulation

**STATE OF MICHIGAN  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**Before the Commissioner of the Office of Financial and Insurance Regulation**

**In the matter of:**

**Zacoro Metals Corporation  
130 Adelaide St. W. Suite 2700  
Toronto, Ontario Canada M5H 3P5**

**Enforcement Case No. 08-5501**

**Respondent**  
\_\_\_\_\_ /

Issued and entered  
on June 23, 2008  
by Peggy L. Bryson  
Acting Chief Deputy Commissioner

**ORDER TO CEASE AND DESIST**

The Office of Financial and Insurance Regulation of the Michigan Department of Labor and Economic Growth, pursuant to the Michigan Administrative Procedures Act of 1969, MCL 24.201 *et. seq.*, (hereafter "MAPA") and the Michigan Uniform Securities Act, PA 265 of 1964, as amended, MCL 451.501 *et. seq.*, (hereafter "Act"), and the rules promulgated under the Act, say that:

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The staff of the Office of Financial and Insurance Regulation (hereafter "OFIR") alleges that the following facts are true and correct:

1. OFIR is responsible for the licensing and regulation of securities and enforcement of the provisions of the Act. Effective April 6, 2008, the Office of Financial and Insurance Services was renamed the Office of Financial and Insurance Regulation, and is hereafter referred to as ("OFIR") in this Order.
2. On July 25, 2007, OFIR received two Form D filings from Respondent Zacoro Metals Corporation ("Zacoro"). The cover letter accompanying the filings disclosed that the offerings were actually made on February 21, 2006 and December 15, 2006.
3. Respondent Zacoro knew or had reason to know that Section 308(d) of the Act, MCL 451.708(d), requires that Form D filings are to be made no later than 15 days after the first sale in Michigan.

4. Respondent Zacoro failed to make a timely Form D filing for either offering.
5. Respondent Zacoro has identified seven Michigan investors for their offerings.
6. Respondent Zacoro knew or had reason to know that Section 301 of the Act, MCL 451.701, states that it is unlawful for any person to offer or sell any security in this state unless: the security is registered under this Act, the security or transaction is exempted under Section 402 of the Act, or the Security is a federally covered security.
7. Respondent Zacoro knew or had reason to know that under Section 402(c) of the Act, MCL 451.802(c), the burden of proving an exemption or exception from a definition is upon the person claiming it.

WHEREAS, Section 408 of the Act, MCL 451.808, states that whenever it appears to the Administrator (Commissioner of the Office of Financial and Insurance Regulation) that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this act or any rule or order hereunder, it may in its discretion issue a cease and desist order or bring an action in a circuit court to enjoin the act or practices and to enforce compliance with this act or any rule or order hereunder; and

WHEREAS, Respondent Zacoro offered and sold securities to Michigan residents; and

WHEREAS, Section 301 of the Act, MCL 451.701, provides that it is unlawful for any person to offer or sell any security in Michigan unless: the security is registered under the Act, the security or transaction is exempt under Section 402 of the Act, or the security is a federally covered security; and

WHEREAS, Section 308(d) of the Act, 451.708(d), requires the issuer of any federally covered security under the Securities Act of 1933 to file a notice on Securities and Exchange Commission's Form D or a form approved by the Administrator, with a consent to service of process signed by the issuer, no later than 15 days after the first sale of a federally covered security in this state, together with a nonrefundable filing fee of \$100.00; and

WHEREAS, Respondent Zacoro sold securities to residents of the State of Michigan in February, 2006 and December of 2006; and

WHEREAS, in violation of Section 308(d) of the Act, MCL 451.708(d), Respondent Zacoro filed two SEC Form D's on July 25, 2007, more than 15 days after the first sale of a federally covered security in the State of Michigan.

WHEREAS, the Administrator finds this Order necessary and appropriate in the public interest, for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act; and

WHEREAS, based on the foregoing, OFIR Staff recommends that the Administrator find that Respondent Zacoro has engaged in acts and practices that violate Section 308(d) of the Act, MCL 451.708(d) and the Rules promulgated under the Act.

**ORDER**

**IT IS THEREFORE ORDERED**, pursuant to Section 408 of the Act, MCL 451.808, and Section 409 of the Act, MCL 451.809, that:

1. Respondent Zacoro shall immediately **CEASE AND DESIST** from violating Section 301 and 308(d) of the Act, MCL 451.701 and 451.708(d).
2. Respondent Zacoro shall pay to the State of Michigan a civil fine of Two Thousand Dollars (\$2,000.00). Upon execution of this Order, OFIR will send Respondent Zacoro an Invoice for the civil fine, which shall be due within 30 days of issuance of the Invoice.

Failure to comply with this ORDER may subject you to a criminal penalty of not more than \$25,000 for each violation, or imprisonment of not more than 10 years, or both.

You may file with the Administrator within 15 days after service of this Order a written request for a hearing. The Administrator, within 15 days after your filing, shall issue a notice of hearing and set a date for the hearing. Any request for a hearing should be addressed to: the Office of Financial and Insurance Regulation, Attention: Hearings Coordinator Dawn Kobus, P.O. Box 30220, Lansing, Michigan 48909.

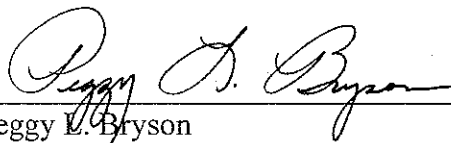
If you do not request a hearing, or it is not ordered by the Administrator within 15 days, this Order will stand as entered and will be FINAL.

It is important to understand that any statements that you present in response to this Order may be used against you at a hearing. It is also important to understand that you have the right, at your own expense, to have an attorney assist you at a hearing.

Any other communication regarding this Order should be addressed to the Office of Financial and Insurance Regulation, Attention: William R. Peattie, P.O. Box 30220, Lansing, Michigan 48909.

MICHIGAN DEPARTMENT OF  
LABOR & ECONOMIC GROWTH

By:

  
Peggy L. Bryson  
Acting Chief Deputy Commissioner